

Senate Bill No. 151

Passed the Senate May 2, 2011

Secretary of the Senate

Passed the Assembly May 16, 2011

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2011, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 19829.97, 19829.98, 20677.5, 20677.71, 20677.91, 20677.95, 20682, 20683.1, and 22944.3 of, to amend and renumber Section 18929.96 of, and to repeal and amend Sections 20677.6 and 20677.9 of, the Government Code, relating to state employees, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 151, Correa. State employees: memoranda of understanding.

Existing law provides that a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act.

This bill would approve provisions of memoranda of understanding entered into between the state employer and State Bargaining Units 2, 6, 7, 9, 10, and 13, and would approve addenda to memoranda of understanding entered into by the state employer and State Bargaining Units 1, 3, 4, 11, 12, 14, 15, 16, 17, 18, 19, 20, and 21, that require the expenditure of funds, and would provide that these provisions will become effective even if funds for these provisions are approved by the Legislature in legislation other than the annual Budget Act.

The bill would provide that provisions of the memoranda of understanding and addenda to memoranda of understanding approved by this bill that require the expenditure of funds will not take effect unless funds for those provisions are specifically appropriated by the Legislature, and would require the state employer and the affected employee organization to meet and confer to renegotiate the affected provisions if funds for those provisions are not specifically appropriated by the Legislature.

The annual Budget Act appropriates specified amounts from the General Fund, unallocated special funds, and unallocated nongovernmental cost funds, for state employee compensation. In the event that the annual Budget Act is not enacted prior to July 1 of each year covered by the memoranda of understanding for State

Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21, existing law provides for a continuous appropriation for the amount necessary for the payment of compensation and benefits to members of those bargaining units.

This bill would expand that provision to also include members of State Bargaining Units 2, 6, 7, 9, 10, and 13.

The Public Employees' Retirement Law (PERL) prescribes contribution rates for state employees who are state miscellaneous, state industrial, state safety members, patrol members, or state peace officer/firefighter members, among others, in amounts based on percentages of monthly compensation, as specified. Member contributions are deposited into the Public Employees' Retirement Fund, which is a continuously appropriated trust fund.

This bill would increase the contribution rates by 5% for state miscellaneous, state industrial, or state safety members who are represented by State Bargaining Unit 13, by 3% for state miscellaneous, state industrial, or state safety members who are represented by State Bargaining Unit 2, 6, 7, 9, or 10, by 3% for state peace officer/firefighter members who are represented by State Bargaining Unit 6, and by 2% for state peace officer/firefighter members who are represented by State Bargaining Unit 7, beginning on the first day of the pay period following the operative date of the bill. By increasing member contributions into a continuously appropriated fund, this bill would make an appropriation. The bill would reduce the contribution rates by 1% for excluded state miscellaneous or state industrial members related to State Bargaining Unit 2.

Existing law requires the state to pay sworn members of the California Highway Patrol who are rank-and-file members of State Bargaining Unit 5 the estimated average total compensation for each corresponding rank in specified local police departments. Existing law requires any increase in total compensation resulting from a survey of the average compensation for those departments to be implemented through a memorandum of understanding negotiated pursuant to the Ralph C. Dills Act. Existing law requires that any amount that would otherwise be used to permanently increase compensation for those members of State Bargaining Unit 5 pursuant to those provisions, effective on July 1, 2009, and on July 1, 2010, to permanently prefund postemployment health care benefits for patrol members, as provided.

This bill would authorize the Director of the Department of Personnel Administration to apply the provision directing the use of those amounts to prefund postemployment health care benefits for patrol members to excluded patrol members and an officer or employee of the executive branch who is not a member of civil service.

The bill would also delete duplicative provisions of law.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares that the purpose of this act is to approve the provisions of agreements and addenda to agreements, pursuant to Sections 3517.5 and 3517.63 of the Government Code, entered into by the state employer and recognized employee organizations that require the expenditure of funds.

SEC. 2. The provisions of the following memoranda of understanding prepared pursuant to Section 3517.5 of the Government Code and entered into by the state employer and the following employee organizations, that require the expenditure of funds, are hereby approved for the purposes of subdivision (b) of Section 3517.6 of the Government Code:

(a) State Bargaining Unit 2, California Attorneys, Administrative Law Judges, and Hearing Officers in State Employment, agreement dated March 7, 2011.

(b) State Bargaining Unit 6, California Correctional Peace Officers Association, agreement dated March 17, 2011.

(c) State Bargaining Unit 7, California Statewide Law Enforcement Association, agreement dated March 9, 2011.

(d) State Bargaining Unit 9, Professional Engineers in California Government, agreement dated March 17, 2011.

(e) State Bargaining Unit 10, California Association of Professional Scientists, agreement dated March 17, 2011.

(f) State Bargaining Unit 13, International Union of Operating Engineers, Stationary Engineers, agreement dated March 17, 2011.

SEC. 3. The provisions of the memoranda of understanding approved by Section 2 of this act that are to take effect on or after

April 1, 2011, and that require the expenditure of funds, shall not take effect unless funds for these provisions are specifically appropriated by the Legislature. If funds for these provisions are not specifically appropriated by the Legislature, the state employer and the affected employee organization shall meet and confer to renegotiate the affected provisions.

SEC. 4. Notwithstanding Section 3517.6 of the Government Code, the provisions of any memorandum of understanding included in Section 2 that require the expenditure of funds shall become effective even if the provisions of the memorandum of understanding are approved by the Legislature in legislation other than the annual Budget Act.

SEC. 5. The provisions of the following addenda to memoranda of understanding entered into by the state employer and the following employee organizations, that require the expenditure of funds, are hereby approved for the purposes of Section 3517.63 of the Government Code:

(a) State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21, Service Employees International Union, addenda dated March 22, 2011, effective upon approval of this act.

(b) State Bargaining Unit 12, International Union of Operating Engineers, Craft and Maintenance Employees, addendum dated November 19, 2010, effective November 2, 2010, to July 1, 2012, inclusive.

(c) State Bargaining Unit 12, International Union of Operating Engineers, Craft and Maintenance Employees, addendum dated March 22, 2011, effective upon approval of this act.

(d) State Bargaining Unit 16, Union of American Physicians and Dentists, addendum dated November 19, 2010, effective November 2, 2010, to July 1, 2012, inclusive.

(e) State Bargaining Unit 18, California Association of Psychiatric Technicians, addendum dated November 18, 2010, effective November 2, 2010, to July 1, 2012, inclusive.

(f) State Bargaining Unit 19, American Federation of State, County and Municipal Employees, addendum dated December 1, 2010, effective November 2, 2010, to July 1, 2012, inclusive.

SEC. 6. The provisions of the addenda to memoranda of understanding approved by Section 5 of this act that require the expenditure of funds shall not take effect unless funds for these provisions are specifically appropriated by the Legislature or

already exist within available appropriations. If funds for these provisions are not specifically appropriated by the Legislature, the state employer and the affected employee organization shall meet and confer to renegotiate the affected provisions.

SEC. 7. Section 18929.96 of the Government Code is amended and renumbered to read:

19829.96. (a) Notwithstanding Section 13340, for the 2011–12 fiscal year, if the 2011–12 Budget Act is not enacted by July 1, 2011, for the memoranda of understanding entered into between the state employer and State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 (each effective July 1, 2010, to July 1, 2013, inclusive), State Bargaining Unit 2, 7, 9, 10, or 13 (each effective April 1, 2011, to July 1, 2013, inclusive), or State Bargaining Unit 6 (effective April 1, 2011, to July 2, 2013, inclusive), there is hereby continuously appropriated to the Controller from the General Fund, unallocated special funds, including, but not limited to, federal funds and unallocated nongovernmental cost funds, and any other fund from which state employees are compensated, the amount necessary for the payment of compensation and employee benefits to state employees covered by the above memoranda of understanding until the 2011–12 Budget Act is enacted. The Controller may expend an amount no greater than necessary to enable the Controller to compensate state employees covered by the above memoranda of understanding for work performed between July 1, 2011, of the 2011–12 fiscal year and the enactment of the 2011–12 Budget Act.

(b) If the memoranda of understanding entered into between the state employer and State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 (each effective July 1, 2010, to July 1, 2013, inclusive), State Bargaining Unit 2, 7, 9, 10, or 13 (each effective April 1, 2011, to July 1, 2013, inclusive), or State Bargaining Unit 6 (effective April 1, 2011, to July 2, 2013, inclusive), are in effect and approved by the Legislature, the compensation and contribution for employee benefits for state employees represented by these bargaining units shall be at a rate consistent with the applicable memorandum of understanding referenced above.

(c) Expenditures related to any warrant drawn pursuant to subdivision (a) are not augmentations to the expenditure authority of a department. Upon the enactment of the 2011–12 Budget Act,

these expenditures shall be subsumed by the expenditure authority approved in the 2011–12 Budget Act for each affected department.

(d) This section shall only apply to an employee covered by the terms of the State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 memoranda of understanding (each effective July 1, 2010, to July 1, 2013, inclusive), the State Bargaining Unit 2, 7, 9, 10, or 13 memoranda of understanding (each effective April 1, 2011, to July 1, 2013, inclusive), or the State Bargaining Unit 6 memorandum of understanding (effective April 1, 2011, to July 2, 2013, inclusive). Notwithstanding Section 3517.8, this section shall not apply after the term of the memorandum of understanding has expired. For purposes of this section, the memorandum of understanding for each unit, except State Bargaining Unit 6, expires on July 1, 2013. For purposes of this section, the memorandum of understanding for State Bargaining Unit 6 expires on July 2, 2013.

SEC. 8. Section 19829.97 of the Government Code is amended to read:

19829.97. (a) Notwithstanding Section 13340, for the 2012–13 fiscal year, if the 2012–13 Budget Act is not enacted by July 1, 2012, for the memoranda of understanding entered into between the state employer and State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 (each effective July 1, 2010, to July 1, 2013, inclusive), State Bargaining Unit 2, 7, 9, 10, or 13 (each effective April 1, 2011, to July 1, 2013, inclusive), or State Bargaining Unit 6 (effective April 1, 2011, to July 2, 2013, inclusive), there is hereby continuously appropriated to the Controller from the General Fund, unallocated special funds, including, but not limited to, federal funds and unallocated nongovernmental cost funds, and any other fund from which state employees are compensated, the amount necessary for the payment of compensation and employee benefits to state employees covered by the above memoranda of understanding until the 2012–13 Budget Act is enacted. The Controller may expend an amount no greater than necessary to enable the Controller to compensate state employees covered by the above memoranda of understanding for work performed between July 1, 2012, of the 2012–13 fiscal year and the enactment of the 2012–13 Budget Act.

(b) If the memoranda of understanding entered into between the state employer and State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 (each effective July 1, 2010, to July 1, 2013,

inclusive), State Bargaining Unit 2, 7, 9, 10, or 13 (each effective April 1, 2011, to July 1, 2013, inclusive), or State Bargaining Unit 6 (effective April 1, 2011, to July 2, 2013, inclusive), are in effect and approved by the Legislature, the compensation and contribution for employee benefits for state employees represented by these bargaining units shall be at a rate consistent with the applicable memorandum of understanding referenced above.

(c) Expenditures related to any warrant drawn pursuant to subdivision (a) are not augmentations to the expenditure authority of a department. Upon the enactment of the 2012–13 Budget Act, these expenditures shall be subsumed by the expenditure authority approved in the 2012–13 Budget Act for each affected department.

(d) This section shall only apply to an employee covered by the terms of the State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 memoranda of understanding (each effective July 1, 2010, to July 1, 2013, inclusive), the State Bargaining Unit 2, 7, 9, 10, or 13 memoranda of understanding (each effective April 1, 2011, to July 1, 2013, inclusive), or the State Bargaining Unit 6 memorandum of understanding (effective April 1, 2011, to July 2, 2013, inclusive). Notwithstanding Section 3517.8, this section shall not apply after the term of the memorandum of understanding has expired. For purposes of this section, the memorandum of understanding for each unit, except State Bargaining Unit 6, expires on July 1, 2013. For purposes of this section, the memorandum of understanding for State Bargaining Unit 6 expires on July 2, 2013.

SEC. 9. Section 19829.98 of the Government Code is amended to read:

19829.98. (a) Notwithstanding Section 13340, for the 2013–14 fiscal year, if the 2013–14 Budget Act is not enacted by July 1, 2013, for the memoranda of understanding entered into between the state employer and State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 (each effective July 1, 2010, to July 1, 2013, inclusive), State Bargaining Unit 2, 7, 9, 10, or 13 (each effective April 1, 2011, to July 1, 2013, inclusive), or State Bargaining Unit 6 (effective April 1, 2011, to July 2, 2013, inclusive), there is hereby continuously appropriated to the Controller from the General Fund, unallocated special funds, including, but not limited to, federal funds and unallocated nongovernmental cost funds, and any other fund from which state employees are compensated, the amount necessary for the payment of compensation and employee

benefits to state employees covered by the above memoranda of understanding until the 2013–14 Budget Act is enacted. The Controller may expend an amount no greater than necessary to enable the Controller to compensate state employees covered by the above memoranda of understanding for work performed between July 1, 2013, of the 2013–14 fiscal year and the enactment of the 2013–14 Budget Act.

(b) If the memoranda of understanding entered into between the state employer and State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 (each effective July 1, 2010, to July 1, 2013, inclusive), State Bargaining Unit 2, 7, 9, 10, or 13 (each effective April 1, 2011, to July 1, 2013, inclusive), or State Bargaining Unit 6 (effective April 1, 2011, to July 2, 2013, inclusive), are in effect and approved by the Legislature, the compensation and contribution for employee benefits for state employees represented by these bargaining units shall be at a rate consistent with the applicable memorandum of understanding referenced above.

(c) Expenditures related to any warrant drawn pursuant to subdivision (a) are not augmentations to the expenditure authority of a department. Upon the enactment of the 2013–14 Budget Act, these expenditures shall be subsumed by the expenditure authority approved in the 2013–14 Budget Act for each affected department.

(d) This section shall only apply to an employee covered by the terms of the State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 memoranda of understanding (each effective July 1, 2010, to July 1, 2013, inclusive), the State Bargaining Unit 2, 7, 9, 10, or 13 memoranda of understanding (each effective April 1, 2011, to July 1, 2013, inclusive), or the State Bargaining Unit 6 memorandum of understanding (effective April 1, 2011, to July 2, 2013, inclusive). Notwithstanding Section 3517.8, this section shall not apply after the term of the memorandum of understanding has expired. For purposes of this section, the memorandum of understanding for each unit, except State Bargaining Unit 6, expires on July 1, 2013. For purposes of this section, the memorandum of understanding for State Bargaining Unit 6 expires on July 2, 2013.

SEC. 10. Section 20677.5 of the Government Code is amended to read:

20677.5. (a) Notwithstanding any provisions of Section 20677.4 to the contrary, effective with the beginning of the pay period following the operative date of the amendments to this

section made by Senate Bill 151 of the 2011–12 Regular Session, the normal rate of contribution for state miscellaneous or state industrial members who are subject to Section 21353 or 21354.1, and who are represented by State Bargaining Unit 2, shall be:

(1) Ten percent of the compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system.

(2) Nine percent of compensation in excess of five hundred thirteen dollars (\$513) per month paid to that member whose service has been included in the federal system.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless and until approved by the Legislature in the annual Budget Act.

(c) The Director of the Department of Personnel Administration may establish the normal rate of contribution for a state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service. The normal rate of contribution shall be the same for all members identified in this subdivision. The contribution rate shall be effective the beginning of the pay period indicated by the Director of the Department of Personnel Administration but shall be no earlier than the beginning of the pay period following the date the board receives notification.

SEC. 11. Section 20677.6 of the Government Code, as added by Section 12 of Chapter 162 of the Statutes of 2010, is repealed.

SEC. 12. Section 20677.6 of the Government Code, as added by Section 12 of Chapter 163 of the Statutes of 2010, is amended to read:

20677.6. (a) Notwithstanding Section 20677.4, effective with the beginning of the pay period following the effective date of this section, the normal rate of contribution for state miscellaneous or state industrial members who are represented by State Bargaining Units 12, 16, 18, and 19, shall be:

(1) Eleven percent of the compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system.

(2) Ten percent of compensation in excess of five hundred thirteen dollars (\$513) per month paid to that member whose service has been included in the federal system.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless and until approved by the Legislature in the annual Budget Act.

(c) Consistent with the normal rate of contribution for all members identified in this subdivision, the Director of the Department of Personnel Administration may exercise his or her discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service.

(d) Notwithstanding Section 20677.4, effective with the beginning of the pay period following the operative date of the amendments to this section made by Senate Bill 151 of the 2011–12 Regular Session, this section shall apply to state miscellaneous or state industrial members who are represented by State Bargaining Unit 13.

SEC. 13. Section 20677.71 of the Government Code is amended to read:

20677.71. (a) Notwithstanding Section 20677.4, effective with the beginning of the pay period following ratification by the affected union membership and enactment of this section, the normal rate of contribution for state miscellaneous or state industrial members who are represented by State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 shall be:

(1) Nine percent of the compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system.

(2) Eight percent of compensation in excess of five hundred thirteen dollars (\$513) per month paid to that member whose service has been included in the federal system.

(b) Notwithstanding Section 20677.4, effective with the beginning of the pay period following the operative date of the amendments to this section made by Senate Bill 151 of the 2011–12 Regular Session, this section shall apply to state miscellaneous or state industrial members who are represented by State Bargaining Unit 6, 7, 9, or 10.

(c) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless and until approved by the Legislature in the annual Budget Act.

(d) Consistent with the normal rate of contribution for all members identified in this subdivision, the Director of the Department of Personnel Administration may exercise his or her discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service.

SEC. 14. Section 20677.9 of the Government Code, as added by Section 15 of Chapter 162 of the Statutes of 2010, is repealed.

SEC. 15. Section 20677.9 of the Government Code, as added by Section 14 of Chapter 163 of the Statutes of 2010, is amended to read:

20677.9. (a) Notwithstanding Section 20683, effective with the beginning of the pay period following the effective date of this section, the normal rate of contribution for state safety members who are represented by State Bargaining Units 12, 16, 18, and 19 shall be 11 percent of compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system or in excess of five hundred thirteen dollars (\$513) for one whose service is included in the federal system.

(b) Notwithstanding Section 20683, effective with the beginning of the pay period following the operative date of the amendments to this section made by Senate Bill 151 of the 2011–12 Regular Session, this section shall apply to state safety members who are represented by State Bargaining Unit 13.

(c) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if those provisions of the memorandum of understanding require the expenditure of funds, those provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(d) Consistent with the normal rate of contribution for all members identified in this subdivision, the Director of the Department of Personnel Administration may exercise his or her discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service.

SEC. 16. Section 20677.91 of the Government Code is amended to read:

20677.91. (a) Notwithstanding Section 20683, effective with the beginning of the pay period following ratification by the affected union membership and enactment of this section, the normal rate of contribution for state safety members who are represented by State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 shall be 9 percent of compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system or in excess of five hundred thirteen dollars (\$513) for one whose service is included in the federal system.

(b) Notwithstanding Section 20683, effective with the beginning of the pay period following the operative date of the amendments to this section made by Senate Bill 151 of the 2011–12 Regular Session, this section shall apply to state safety members who are represented by State Bargaining Unit 7, 9, or 10.

(c) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be

controlling without further legislative action, except that if those provisions of the memorandum of understanding require the expenditure of funds, those provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(d) Consistent with the normal rate of contribution for all members identified in this subdivision, the Director of the Department of Personnel Administration may exercise his or her discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service.

SEC. 17. Section 20677.95 of the Government Code is amended to read:

20677.95. (a) Notwithstanding Section 20687, effective with the beginning of the September 2010 pay period, the normal rate of contribution for state peace officer/firefighter members who are represented by State Bargaining Unit 8 shall be 10 percent of the compensation in excess of two hundred thirty-eight dollars (\$238) per month paid to those members.

(b) Notwithstanding Section 20687, effective with the beginning of the pay period following the operative date of the amendments to this section made by Senate Bill 151 of the 2011–12 Regular Session, the normal rate of contribution for state peace officer/firefighter members who are represented by State Bargaining Unit 6 shall be 11 percent of the compensation in excess of eight hundred sixty-three dollars (\$863) per month paid to those members.

(c) Notwithstanding Section 20687, effective with the beginning of the pay period following the operative date of the amendments to this section made by Senate Bill 151 of the 2011–12 Regular Session, the normal rate of contribution for state peace officer/firefighter members who are represented by State Bargaining Unit 7 shall be 10 percent of the compensation in excess of five hundred thirteen dollars (\$513) per month paid to those members.

(d) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5 or pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1, the memorandum of

understanding shall be controlling without further legislative action, except that if those provisions of a memorandum of understanding require the expenditure of funds, those provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(e) Consistent with the normal rate of contribution for all members identified in this subdivision, the Director of the Department of Personnel Administration may exercise his or her discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service.

SEC. 18. Section 20682 of the Government Code is amended to read:

20682. Notwithstanding Sections 20677.4, 20677.5, 20677.6, 20677.9, 20683, 20683.1, 20686, and 20687, effective with the beginning of the pay period following enactment of this section, the normal rate of contribution for a state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service shall be the following:

(a) For state miscellaneous or state industrial members:

(1) Nine percent of the compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system.

(2) Eight percent of compensation in excess of five hundred thirteen dollars (\$513) per month paid to that member whose service has been included in the federal system.

(b) For state miscellaneous or state industrial members who are excepted from the definition of “state employee” in subdivision (c) of Section 3513 and related to State Bargaining Unit 2:

(1) Nine percent of the compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system.

(2) Eight percent of compensation in excess of five hundred thirteen dollars (\$513) per month paid to that member whose service has been included in the federal system.

(c) State safety members shall be 9 percent of compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system or in excess of five hundred thirteen dollars (\$513) for one whose service is included in the federal system.

(d) Peace officer/firefighter members shall be 11 percent of compensation in excess of eight hundred sixty-three dollars (\$863) for state employees who are excepted from the definition of “state employee” in subdivision (c) of Section 3513 and related to State Bargaining Unit 6.

(e) Peace officer/firefighter members shall be 11 percent of compensation in excess of five hundred thirteen dollars (\$513) for state employees who are excepted from the definition of “state employee” in subdivision (c) of Section 3513 and related to State Bargaining Unit 7.

SEC. 19. Section 20683.1 of the Government Code is amended to read:

20683.1. (a) For each state safety member subject to Section 21369 or 21369.1 who is represented by State Bargaining Unit 2, the normal rate of contribution shall be 10 percent of compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system beginning with the pay period following the operative date of the amendments to this section made by Senate Bill 151 of the 2011–12 Regular Session. If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if those provisions of the memorandum of understanding require the expenditure of funds, those provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(b) The Director of the Department of Personnel Administration may establish the normal rate of contribution for a state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service. The normal rate of contribution shall be the same for all members identified in this subdivision. The contribution rate shall be effective the beginning of the pay period indicated by the

Director of the Department of Personnel Administration but shall be no earlier than the beginning of the pay period following the date the board receives notification.

SEC. 20. Section 22944.3 of the Government Code is amended to read:

22944.3. (a) Any amount that would otherwise be used to permanently increase compensation pursuant to Section 19827, effective on July 1, 2009, and on July 1, 2010, shall instead be used to permanently prefund postemployment health care benefits for patrol members. The amount used to prefund benefits relative to any increases under the survey methodology effective July 1, 2010, shall not exceed 2 percent. The state shall take credit for these prefunding contributions in the survey methodology established in Section 19827 in the same manner as it would for an increase to the base salary for patrol members.

(b) Patrol members shall contribute an additional 0.5 percent of base pay toward prefunding retiree health benefit obligations effective on the first day of the pay period following the effective date of the act adding this section and the ratification of the addendum by the members of State Bargaining Unit 5. This contribution shall not reduce the base salary of patrol members under the survey methodology established by Section 19827.

(c) Effective July 1, 2012, the state shall contribute toward prefunding retiree health benefits, on a prospective basis, an amount at least equal to the combined contribution rate established pursuant to subdivisions (a) and (b). These contributions may be used in the survey methodology established by Section 19827 if mutually agreed in a memorandum of understanding.

(d) Contributions paid pursuant to this section shall be used exclusively for the cost of providing postemployment health care to eligible enrolled patrol member annuitants and their eligible enrolled dependents, beneficiaries, and survivors.

(e) Contributions paid pursuant to this section shall not be refundable under any circumstances to a patrol member or his or her beneficiary or survivor.

(f) Any amount used to prefund postemployment health care for patrol members pursuant to subdivision (a) shall not be included in any calculation for benefits using final compensation.

(g) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant

to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if those provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(h) For purposes of this section, “patrol member” has the same meaning as in Section 20390. This section shall not apply to an employee of a county.

(i) The Director of the Department of Personnel Administration may exercise his or her discretion to apply the provisions of this section to patrol members who are excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service.

SEC. 21. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order for the provisions of this act to be applicable as soon as possible in the 2010–11 fiscal year and thereby facilitate the orderly administration of state government at the earliest possible time, it is necessary that this act take effect immediately.

Approved _____, 2011

Governor